GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:4187
ANSWERED ON:14.12.2001
CLOSURE OF TEXTILE MILLS
JAIBHAN SINGH PAWAIYA;NAWAL KISHORE RAI;RAMJI LAL SUMAN;SHEELA GAUTAM;SHIVRAJ SINGH CHOUHAN

Will the Minister of TEXTILES be pleased to state:

(a) whether 396 textile mills out of the registered textile mills in the country had closed down during the period from March, 2000 to June, 2001;

(b) if so, the total number of textile mills registered during the said period;

(c) the production capacity of these closed textile mills alongwith the number of employees working in these mills;

(d) the reasons for their closure and the total investment required for reopening these mills; and

(e) the efforts made by the Government to reopen these mills?

Answer

MINISTER OF STATE FOR TEXTILES (SHRI V. DHANANJAYA KUMAR)

(a) & (b) Out of the 1856 cotton/man-made fibre textile mills (Non-SSI) in the country,51 mills had closed down during the period of March 2000 to June 2001.

(c) The production capacity of these 51 closed mills and the workers on their roll were as follows:

i) Production capacity

Spindles	939680	Numbers
Rotors	12512	Numbers
Looms	4580	Numbers

ii) Workers on roll 29512 Numbers

(d) Closure of textile mills can be attributed to many factors including obsolete technology, increase in cost of inputs, difficulties in getting timely and adequate credit, mismanagement, recessionary conditions, and competition from decentralised powerloom sector producing fabrics at competitive price etc.

(e) The Government of India has enacted the Sick Industrial Companies (Special Provisions) Act, 1985 and established the Board for Industrial and Financial Reconstruction (BIFR) with a view to timely detectionof sick & potentially sick companies and for the speedy determination of preventive ameliorative and remedial measures which need to be taken in respect of such companies.